

3Q 2020

QUARTERLY REPORT

MEPT FUND



GATES PLAZA
Office, Denver, CO

THIRD QUARTER

(Gross of Fees)

| Quarter | Trailing 1-Year | Gross Asset Value |
|---------|-----------------|-------------------|
| 1.41% | 1.26% | \$8.4B |

(Net of Fees)

| Quarter | Trailing 1-Year | Net Asset Value |
|---------|-----------------|-----------------|
| 1.19% | 0.39% | \$6.3B |

IN THE THIRD QUARTER, the MEPT Fund ("MEPT" or the "Fund") generated a total gross return of 1.41% (1.19%, net of fees) and outperformed the NCREIF-ODCE Index ("ODCE") by 93 bps. MEPT's YTD total gross return of 0.41% (-0.24%, net of fees) leads the ODCE by 52 bps and the 1-year total return of 1.26% (0.39%, net of fees) marginally trails by 13 bps. MEPT's 3-year return of 4.89% (3.99%, net of fees) and the 5-year return of 6.29% (5.37%, net of fees) are competitive with the benchmark.


The Fund's outperformance in the third quarter was led by the industrial portfolio, which rebounded from the second quarter with strengthening property fundamentals, continued market rent growth across the US, and increased investor demand. The office, multifamily, and retail portfolios ended the quarter with positive total returns although the portfolios depreciated modestly given the myriad headwinds to those sectors. The retail portfolio is entirely comprised of necessity-based retail centers anchored by grocery stores, and the Fund does not hold any regional malls, high-street retail, or large lifestyle retail centers.

The MEPT asset management team continues to proactively work with tenants across the portfolio as we collectively navigate the pandemic. Their outstanding efforts and the resiliency of MEPT's real estate portfolio are evident in the Fund's first quartile rent collections during the second and third quarters, which totaled 96.9% versus 91.5% for the ODCE benchmark.

MEPT's strong performance demonstrates our disciplined approach to constructing and executing the Fund's core strategy. This disciplined, strategic approach also applies to succession planning. In that regard, on January 1, 2021, David Antonelli will start the process of passing the baton to his senior colleagues, Mike Keating and Tim Bolla. David will continue with the Fund in the role of Senior Advisor. Please see Planned Transitions on page 12 for more detail.

As always, we greatly appreciate your continued confidence in our stewardship of your capital, and we remain committed to keeping you apprised of pertinent Fund and market developments.

Stay safe and healthy. ■



David Antonelli,
Managing Partner
Senior Portfolio Manager



Mike Keating,
Managing Director
Portfolio Manager

MEPT FUND OVERVIEW¹

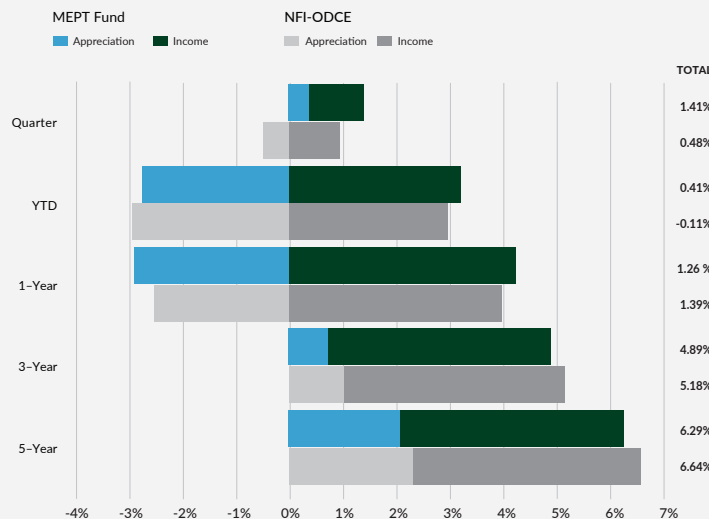
As of September 30, 2020

FUND SNAPSHOT

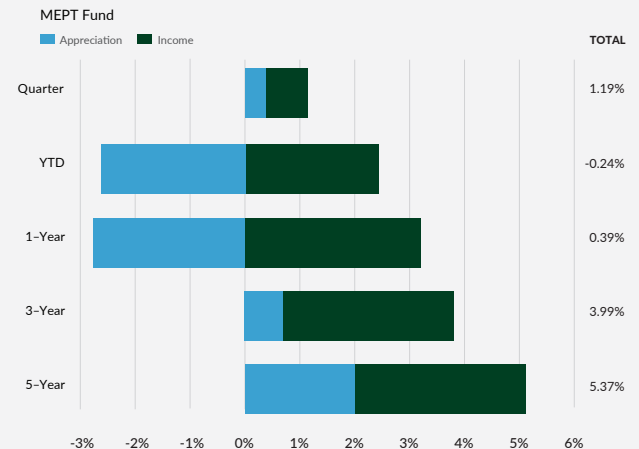


FUND RETURNS 3Q 2020²

Gross of Fees



Net of Fees⁴



¹ Asset values and performance returns set forth in this report are based upon and consistent with the methodologies used for calculating such information described in the current applicable fund document for MEPT. Schedules of investment performance for MEPT are prepared by NewTower Trust in accordance with the guidance provided within the National Council of Real Estate Investment Fiduciaries (NCREIF) Pension Real Estate Association (PREA) Reporting Standards, as sponsored by NCREIF and PREA (the Reporting Standards). Real estate revenue is reported when contractually earned and billable to be consistent with the valuation methodology used to determine unrealized gains and losses.

² Please note: Past performance is not indicative of future results. Performance objectives (whether based on market conditions that affect MEPT Fund or on MEPT Fund itself) reflect a variety of assumptions, which may not be realized and are subject to significant uncertainties and contingencies. Performance goals, including investment returns (e.g., Unit Value), acquisition and disposition activity, leverage, portfolio diversification (including cash position), and leasing rates could be adversely affected and actual results could differ materially from the Management Team's expectations.

³ NCREIF, the National Council of Real Estate Investment Fiduciaries, is a trade association of institutional real estate professionals that includes investment managers, plan sponsors, academics, consultants, appraisers, CPA's and other services providers with significant involvement in institutional real estate investments. NCREIF collects and disseminates real estate performance information, most notably the NCREIF Property Index (NPI) but also the NFI-ODCE. NCREIF Fund Index – Open End Diversified Core Equity (NFI-ODCE) is an index of investment returns reported on both a historical and current basis for open-end U.S. commingled funds with a core investment strategy. The NFI-ODCE index is capitalization-weighted and is reported gross of fees and measurement is time-weighted. Further information about this index is available at www.ncreif.org.

⁴ The Fund's net returns noted above reflect the deduction of the highest level of fees charged during the respective time period noted. Net returns may be higher for clients who qualify for a lower fee. More information on the Fund's tiered fee structure is available upon request.

PROPERTY SECTOR METRICS AND PERFORMANCE

AS MENTIONED in the Portfolio Manager's letter, MEPT's third quarter total gross return was 1.41% (1.19%, net of fees), consisting of 1.01% income and 0.39% appreciation.

PORTFOLIO METRICS

As of September 30, 2020

| | ASSETS ¹ | % OF ALLOCATION (GAV) ¹ | TOTAL RETURN ² | LEASED ³ | AVERAGE STABILIZED CAP RATE |
|-------------|---------------------|---------------------------------------|------------------------------|---------------------|--------------------------------|
| INDUSTRIAL | 29 | 20.8% | 4.46% | 96.9% | 4.9% |
| OFFICE | 31 | 36.2% | 0.61% | 86.7% | 5.5% |
| MULTIFAMILY | 26 | 33.4% | 0.47% | 84.4% | 4.3% |
| RETAIL | 17 | 9.1% | 1.05% | 95.9% | 5.8% |

INDUSTRIAL

The Fund's industrial portfolio delivered a total return of 4.46% in the third quarter, comprised of 1.15% income and 3.31% appreciation. The Fund's industrial performance was driven by increases in market rent growth and cap rate compression, as industrial markets throughout the country experienced a broad resurgence due to increased e-commerce demand.

MEPT has a 20.8% allocation to industrial, which represents a 0.3% overweight in comparison to the ODCE. The Fund's industrial portfolio continues to provide stable cash flow with third quarter rent collections of 98.5%. Additionally, the industrial portfolio remains well-leased at 96.9% with a weighted average lease term of 5.5 years.

MULTIFAMILY

The Fund's multifamily assets delivered a total return of 0.47% during the quarter, comprised of 0.71% income and 0.24% depreciation. The Fund's multifamily portfolio benefitted from the on-time and under-budget delivery of The Smith in Boston's South End. This was offset by a decrease in occupancy in some of the Fund's high-rise assets in New York, San Francisco, and Chicago.

MEPT has a 33.4% allocation to multifamily, which represents a 6.6% overweight in comparison to the benchmark. The Fund's asset management team has maintained high levels of rent collections for the multifamily portfolio, the Fund collected 97.3% of rent due for the third quarter and 97.1% of rent since April.

OFFICE

The Fund's office portfolio realized a total return of 0.61% in the third quarter, comprised of 1.05% income and 0.44% depreciation. The Fund's office performance was negatively affected by a reduction in near-term cash flow due to uncertainty surrounding near-term office leasing.

MEPT has a 36.2% allocation to office, which is a 2.7% overweight to the ODCE but in line with the ODCE index after excluding the Fund's structured debt investments. Third quarter rent collections for the office portfolio remained strong at 96.0%. Additionally, the Fund's office portfolio is conservatively positioned with less than 4.0% of office space leased to coworking tenants and a weighted average lease term of 6.6 years.

RETAIL

The Fund's retail portfolio delivered a total return of 1.05% in the third quarter, comprised of 1.17% income and 0.12% depreciation. The Fund's necessity-based retail portfolio has proven to be more resilient than the broader retail market; the portfolio is well-leased at 95.9%, and performance exceeds the ODCE retail return by 890 bps over the trailing 12 months.

MEPT has a 9.1% allocation to retail, which is a 5.7% underweight to the ODCE. Rent collections for the Fund's retail portfolio have averaged 91.1% since April compared to just 69.5% for the ODCE. The retail portfolio's strong relative performance is due to its strategic construction, which consists entirely of necessity-based, grocery-anchored centers that have largely remained open during the pandemic and are less susceptible to the increasing shift to e-commerce.

¹ Excludes land and parking assets.

² Property sector returns are gross of fees and shown on an unlevered basis.

³ Excludes non-operating assets.

RENT COLLECTIONS

MEPT's Conservatively Positioned Portfolio Continues to Outperform ODCE Index in Rent Collections

- First quartile rent collections in both the second and third quarters
- Total collections of 97% compared to 91% for the ODCE

MEPT AND ODCE RENT COLLECTIONS¹

| Property Type | 3Q20 | | 2Q20 | | APRIL-SEPTEMBER | |
|---------------|-------------------|------------|-------------------|------------|-------------------|------------|
| | ODCE ² | MEPT | ODCE ² | MEPT | ODCE ² | MEPT |
| INDUSTRIAL | 98% | 98% | 97% | 99% | 97% | 99% |
| OFFICE | 95% | 96% | 95% | 99% | 95% | 97% |
| MULTIFAMILY | 96% | 97% | 96% | 97% | 96% | 97% |
| RETAIL | 78% | 90% | 61% | 91% | 69% | 91% |
| TOTAL | 93% | 96% | 90% | 97% | 91% | 97% |

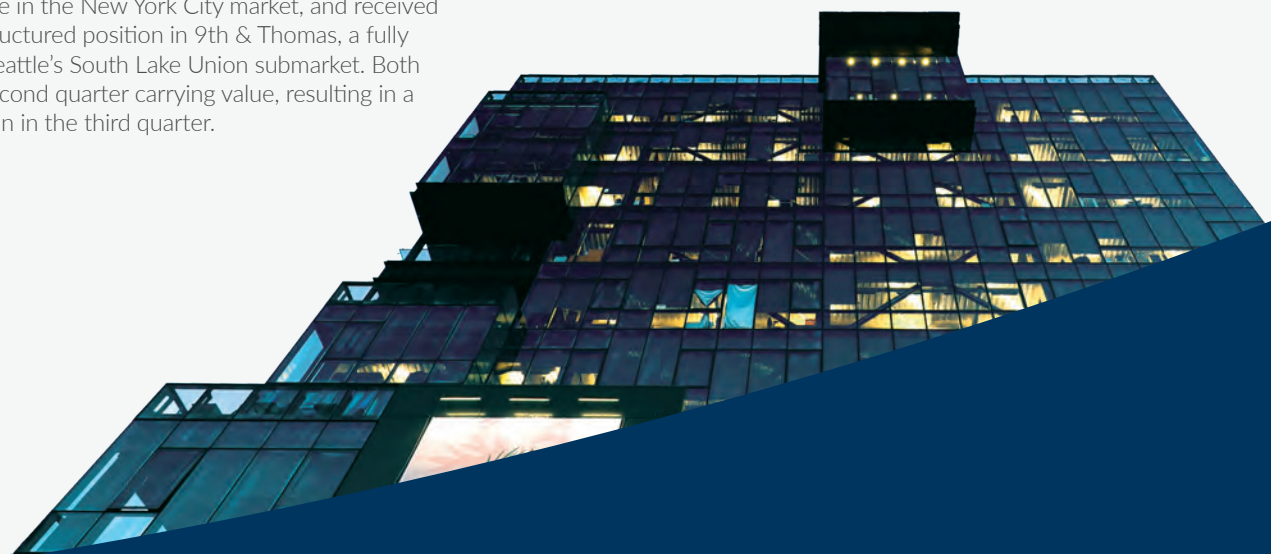
¹Rent collections are as of October 15, 2020 for the Fund and ODCE

²Includes 23 of the 25 ODCE funds representing approximately 77.3% of ODCE NAV as of June 30, 2020

THIRD QUARTER TRANSACTIONS

During the quarter the Fund realized two investments for total proceeds of \$158.6 million. The Fund sold Lincoln Gateway, an industrial development site in the New York City market, and received an early paydown on a structured position in 9th & Thomas, a fully leased office building in Seattle's South Lake Union submarket. Both assets were sold above second quarter carrying value, resulting in a realized gain of \$7.8 million in the third quarter.

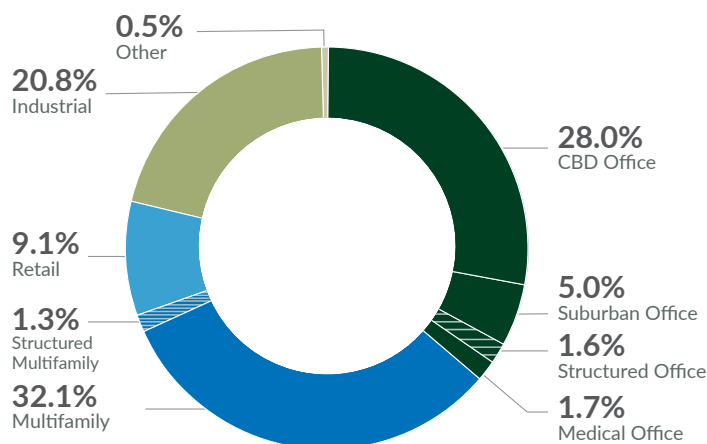
9TH & THOMAS,
Office, Seattle



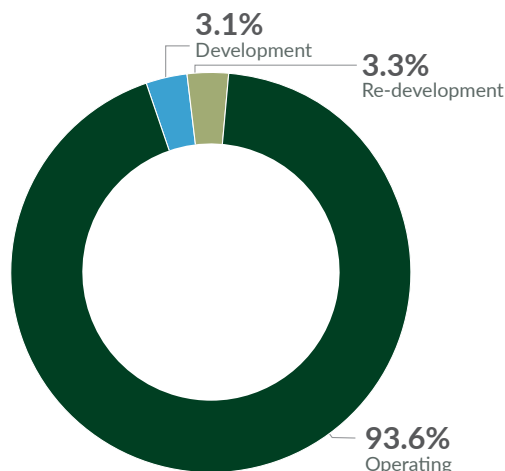
MEPT BY THE NUMBERS

Diversification and Portfolio Characteristics as of September 30, 2020

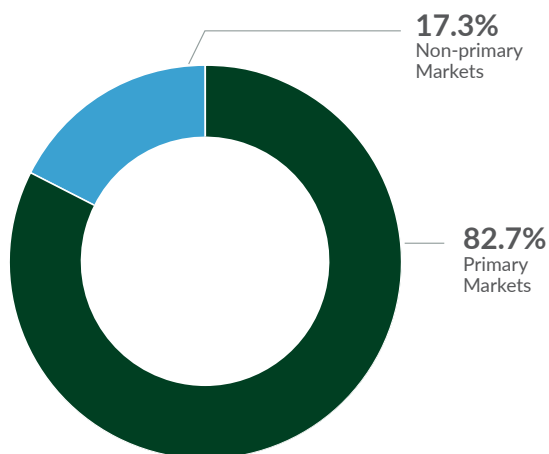
BY PROPERTY TYPE (GAV)



BY LIFE CYCLE (GAV)



BY MARKET (GAV)



TOP MARKETS BY INVESTMENT

As of September 30, 2020

| MARKET | GAV (IN \$M) | % OF GAV |
|----------------|-------------------|---------------|
| New York | \$1,755.3 | 16.7% |
| Chicago | 1,110.1 | 10.5% |
| San Francisco | 1,090.6 | 10.3% |
| Washington, DC | 946.3 | 9.0% |
| Boston | 883.4 | 8.4% |
| Los Angeles | 843.4 | 8.0% |
| Portland, OR | 829.6 | 7.9% |
| Denver | 747.9 | 7.1% |
| Seattle | 484.8 | 4.6% |
| Other Markets | 1,849.3 | 17.5% |
| Total | \$10,540.6 | 100.0% |

■ Primary Market ■ Secondary Market

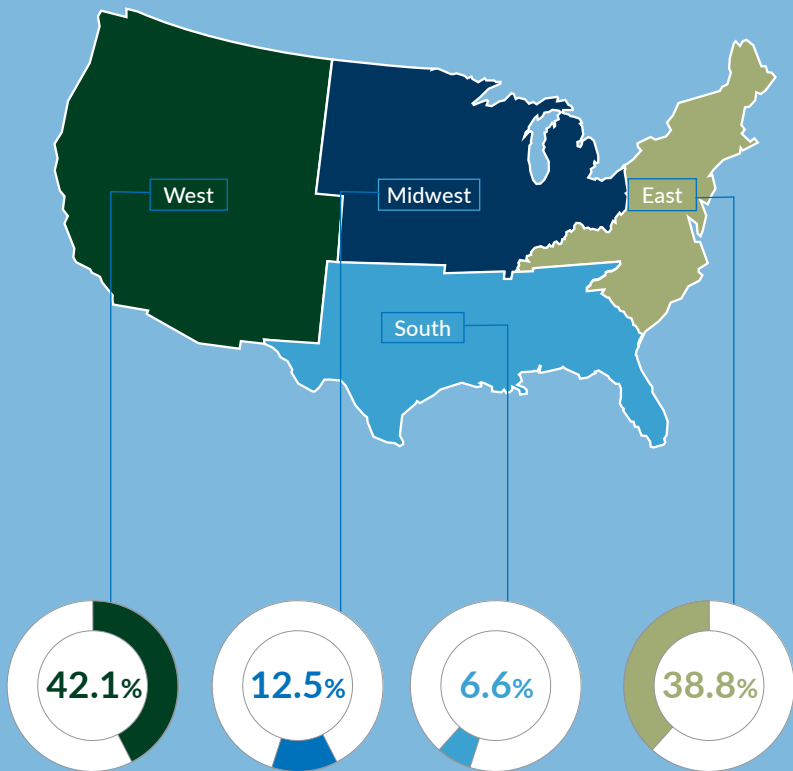
Notes

Asset values and performance returns set forth in this report are based upon and consistent with the methodologies used for calculating such information described in the current applicable fund documents for MEPT.

Forward looking statements found in this report are subject to change and applicable only as of the date made. Many of the factors affecting such statements are impossible to predict with certainty, and as such, are outside the control of MEPT. Further, past performance is not indicative of future results.

BY GEOGRAPHIC REGION (GAV)

| | |
|---------|----------|
| WEST | \$4,441M |
| MIDWEST | \$1,317M |
| EAST | \$4,087M |
| SOUTH | \$696M |



RESIDENCES AT CONGRESSIONAL VILLAGE,
Multifamily, Washington, DC

MEPT TOP 10 TENANTS BY REVENUE

As of September 30, 2020

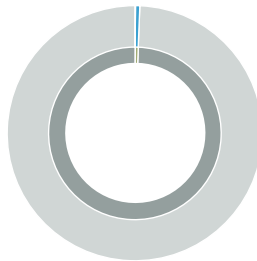
| TENANT NAME | LEASE END DATE | PERCENT TOTAL REVENUE |
|----------------------------------|----------------|-----------------------|
| GSA | Varies | 2.6% |
| AMAZON.COM | Varies | 2.1% |
| AXA EQUITABLE LIFE INSURANCE | 09/30/2023 | 1.5% |
| VF OUTDOOR, LLC | 01/31/2032 | 1.5% |
| TESLA MOTORS, INC. | Varies | 1.3% |
| ORACLE | 06/30/2023 | 1.1% |
| WEWORK | Varies | 1.0% |
| GRANT THORNTON LLP | 04/30/2030 | 1.0% |
| MATHEMATICA POLICY RESEARCH INC. | 11/30/2029 | 0.7% |
| LOWE'S | 02/28/2032 | 0.6% |
| TOTAL | | 13.4% |

LEASE ROLLOVER

2020

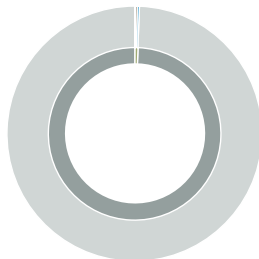
Percent of Net Rentable Area

| | |
|--------------|-------|
| Office | 0.13% |
| Retail | 0.12% |
| Industrial | 0.38% |
| Consolidated | 0.63% |



Percent of Revenue

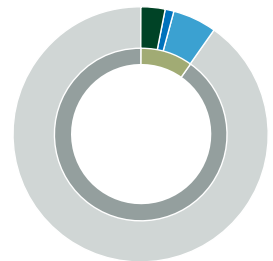
| | |
|--------------|-------|
| Office | 0.25% |
| Retail | 0.16% |
| Industrial | 0.32% |
| Consolidated | 0.73% |



2021

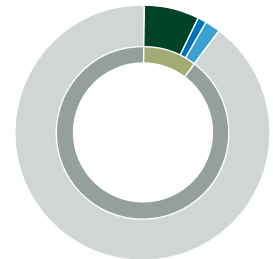
Percent of Net Rentable Area

| | |
|--------------|-------|
| Office | 3.33% |
| Retail | 0.88% |
| Industrial | 5.68% |
| Consolidated | 9.88% |



Percent of Revenue

| | |
|--------------|--------|
| Office | 7.11% |
| Retail | 0.98% |
| Industrial | 2.05% |
| Consolidated | 10.14% |



MEPT 10 LARGEST ASSETS (GAV)

As of September 30, 2020

| PROPERTY NAME | MARKET | GROSS ASSET VALUE AT SHARE (\$M) |
|--|---------------|-------------------------------------|
| NEWPORT TOWER Office | New York | \$431.0 |
| 757 THIRD AVENUE Office | New York | \$356.0 |
| THE OCTAGON Multifamily | New York | \$335.7 |
| 475 SANSOME STREET Office | San Francisco | \$320.0 |
| SOLAIRE Multifamily | San Francisco | \$299.0 |
| 101 GREENWICH STREET Office | New York | \$298.5 |
| 1900 16TH ST Office | Denver | \$276.9 |
| 200 WEST MADISON Office | Chicago | \$269.0 |
| LIVERMORE DISTRIBUTION Industrial | San Francisco | \$269.0 |
| THE SMITH Multifamily | Boston | \$254.6 |

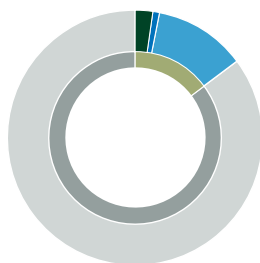


LIVERMORE DISTRIBUTION
Industrial, San Francisco, CA

2022

Percent of Net Rentable Area

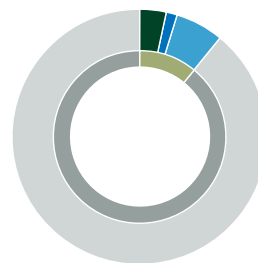
| | |
|--------------|--------|
| Office | 2.44% |
| Retail | 0.63% |
| Industrial | 11.67% |
| Consolidated | 14.74% |



2023

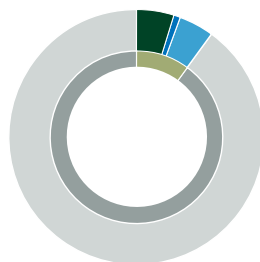
Percent of Net Rentable Area

| | |
|--------------|--------|
| Office | 3.50% |
| Retail | 1.29% |
| Industrial | 6.22% |
| Consolidated | 11.01% |



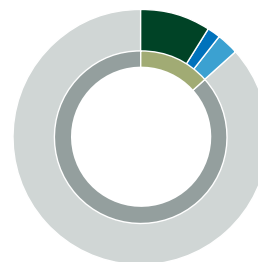
Percent of Revenue

| | |
|--------------|--------|
| Office | 4.85% |
| Retail | 0.98% |
| Industrial | 4.36% |
| Consolidated | 10.19% |



Percent of Revenue

| | |
|--------------|--------|
| Office | 9.16% |
| Retail | 1.52% |
| Industrial | 2.70% |
| Consolidated | 13.37% |

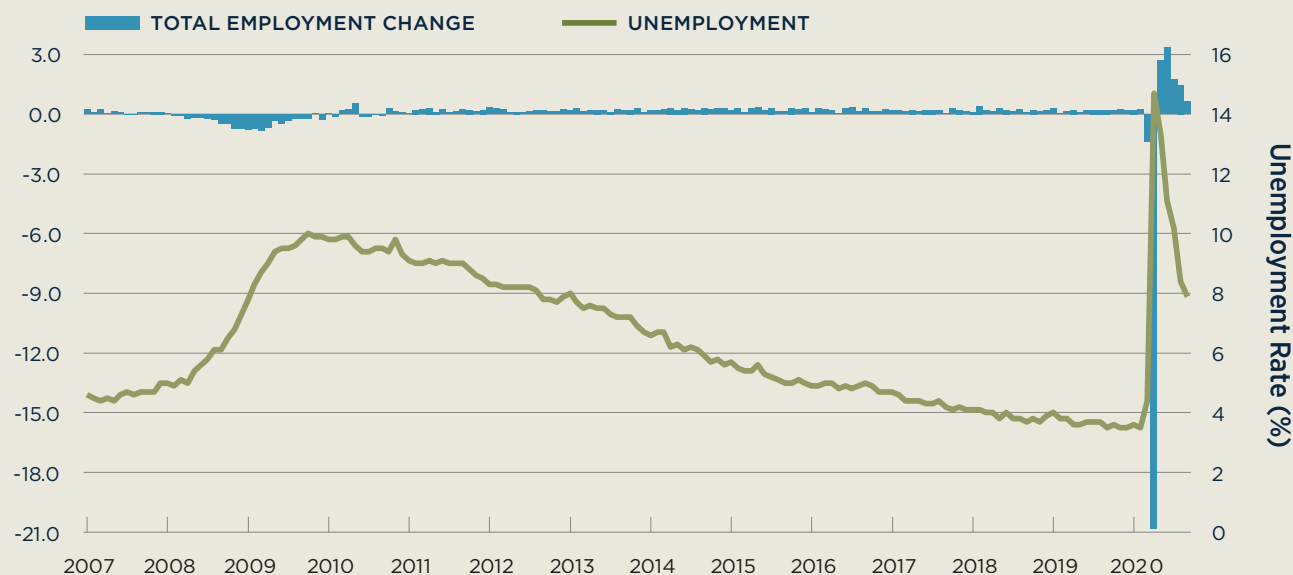


U.S. ECONOMIC OVERVIEW

The economic recovery shows signs of slowing after a robust initial burst

- With fiscal stimulus burning off, COVID-19 cases surging, and the election causing uncertainty the labor market recovery has slowed.
- Monthly job gains were 661,000 in September, down from nearly 4.8 million jobs added in June. Total employment is still 10.3 million jobs lower than it was at the end of 2019.
- Sector-level hiring trends vary dramatically, but only the Federal Government has seen growth year-to-date.
- Financial activities sector losses have been relatively benign at 1.5% or 131,000 jobs this year. While leisure and hospitality jobs were 22.4% or nearly 3.8 million jobs lower than they were at the start of the year.

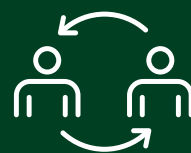
MONTHLY EMPLOYMENT CHANGE (MILLIONS)





7.9%

Unemployment rate



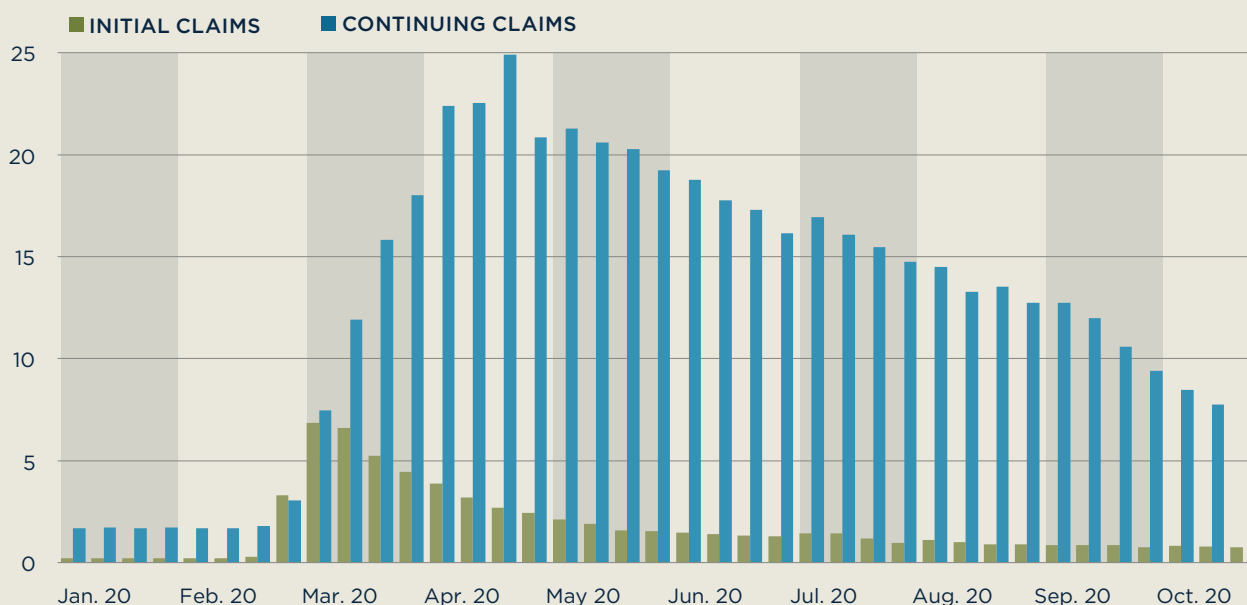
750k

New unemployment
claims

Unemployment figures point to a challenging period for consumers

- Unemployment has fallen to 7.9% after peaking at 14.7%. This contraction is driven in part by a 4.4 million person drop in the labor force through September 2020.
- Initial unemployment claims remain stubbornly high with the 751,000 new claims reported for the week of October 24th eclipsing the worst week of claims during the Global Financial Crisis.
- Continuing claims for unemployment insurance are steadily falling as state benefits expire. Many of these individuals are transitioning to the federal government's Pandemic Unemployment Assistance.
- Personal income and consumption rose in September. But replicating these gains will be challenging as the impact of fiscal stimulus fades.

WEEKLY UNEMPLOYMENT CLAIMS (MILLIONS, SA)



Source: U.S. Bureau of Labor Statistics, U.S. Employment & Training Administration (ETA), BGO Research

DEBT STRUCTURE

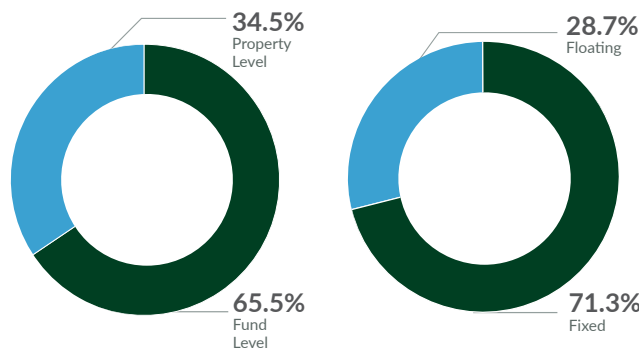
The Fund's leverage ratio decreased to 24.4% during the quarter following the partial payoff of the Fund's revolving credit line. The Fund has no maturities in 2020 and less than 3.0% of debt maturing in 2021. The Fund's debt has an attractive weighted average interest rate of 2.98% and a weighted average remaining term of 5.4 years. ■

Current
Leverage Ratio

24.4%

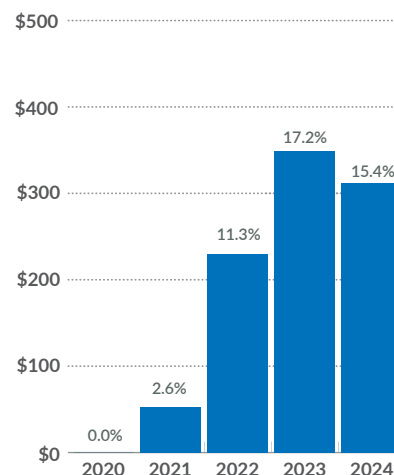
Weighted Average
Interest Rate

2.98%



DEBT MATURITY SCHEDULE

(in \$ millions)



PLANNED TRANSITIONS FOR 2021



After 25 years with BentallGreenOak ("BGO") and its predecessor entities, and 10 years as Senior Portfolio Manager of the Fund, David Antonelli will begin the process of transitioning his responsibilities to his senior colleagues, Mike Keating and Tim Bolla, as part of a well-planned, orderly and extended transition. On January 1, 2021, Mike and Tim will become Co-Portfolio Managers of the Fund and David will move to the role of Senior Advisor, supporting Mike and Tim through the end of 2021. Mike and Tim will also be supported by an Executive Committee that includes Amy Price and Chris Niehaus, Co-heads of BGO's US business.

Mike and David have worked together at BGO for 16 years, 10 of them with the Portfolio Management team. Tim has been

with the firm for 10 years, eight of them with the Portfolio Management team. Over the last 10 years, the Core Strategy has doubled in size to \$11 billion of GAV, built a broader and more diverse client base, and added a daily value vehicle. We look forward to a smooth transition of responsibilities to the next generation of senior leadership.

In addition, after a 35-year career, including 10 years with BGO and its predecessor entities, Doug Poutasse, Managing Director and Global Head of Research and Strategy, has announced he will retire at the end of 2020. Paul Briggs, Managing Director and Head of US Research since 2011, will continue in his role, working closely with the MEPT Portfolio Management team. ■



7315 Wisconsin Avenue
Suite 200W
Bethesda, MD 20814
mept.com

REAL ESTATE ADVISOR



bentallgreenoak.com

TRUSTEE



newtowertrust.com

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This report reflects the views of NewTower Trust Company, the trustee of The NewTower Trust Company Multi-Employer Property Fund ("MEPT" or "MEPT Fund" or "the Fund"), and BentallGreenOak (U.S.) Limited Partnership ("BentallGreenOak"), the real estate advisor to the trustee, with respect to MEPT. It is prepared for distribution to existing investors in MEPT. It may not be reproduced or distributed to the public.

The COVID-19 pandemic, and the governmental responses thereto, have had a significant impact on the general economic situation, and on real estate operations in particular, around the world. It is not yet clear what longer-term impact, if any, this event will have on the value of commercial real estate. The manager, working with external appraisers, continues to monitor property valuations in light of current events.